

**Testimony of Leo Paul
First Selectman, Town of Litchfield
Before the Planning & Development Committee
of the Connecticut General Assembly
February 1, 2013**

RE: 2/3 Approval for Unfunded Mandates - HB-5097, HB-5099, HB-5101, HB-5172, HB-5241, HB-5273, HB-5274, HB-5438, HB-5439, HB-5528, HB-5529, and SB-223.

I strongly support the above-referenced bills, which will create a more transparent process for voting on unfunded mandates by requiring a 2/3 vote of the General Assembly in order to adopt an unfunded mandate. This bill will result in greater sensitivity and accountability by the State to the impact of unfunded mandates on our communities' ability to meet our local needs for education, public safety and public health. If, however, the state determines that it is a significant priority, the bill will allow adoption by a 2/3 vote.

Unfunded mandates continue to drive up local costs beyond the control of our small towns and cities. Municipalities are experiencing staggering financial difficulties because of their over reliance on property taxes to pay for essential public services. Given current limited levels of state aid, towns cannot afford new unfunded mandates.

In addition to supporting the bills requiring a 2/3 approval for any new mandates, **I also support legislation to allow towns to post legal notices on websites and HB-5295 which would eliminate the mandate on towns to store the possessions of a landlord's tenant following eviction.** All of these bills will help reduce costs on our towns.

However, the big driver of local budgets is negotiated union contracts with both educational and municipal employees – an area over which local government and citizens have little control. An increasingly unmanageable portion of the local union contract budgets are salaries and benefits. Unfortunately, under the current binding arbitration mandate, towns have very few options with which to negotiate any savings.

In order to enact meaningful mandate relief, **the legislature must address changes in our binding arbitration laws to create a more balanced process that ensures that towns can negotiate salary and benefit packages that are fair and consistent with other community needs.**

In addition, **the state should increase the thresholds for prevailing wage projects.** A recent study concludes that prevailing wage requirements add 30% to the cost of state and local funded projects. Adjusting the prevailing wage thresholds will help ensure that more local contractors in our communities can bid on jobs, increasing competition and lowering overall project building costs. This is a win-win for towns and the local jobs market. Reforming these laws is critical because there are very few areas left where towns can achieve savings.

Thank you for the opportunity to comment.